



# Grant Administration 101

## Proposition 68

(California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018)





Welcome  
from the  
**Office of Grants and Local Services  
(OGALS)**  
part of the  
**Community Engagement Division (CED)**  
**California State Parks**



# Resources

► **Webpage** – [www.parks.ca.gov/grants](http://www.parks.ca.gov/grants)

- Grant Guidelines
- Sign requirements
- Forms

► **Project Officer**

- Phone number
- E-mail address



# OGALS Vision

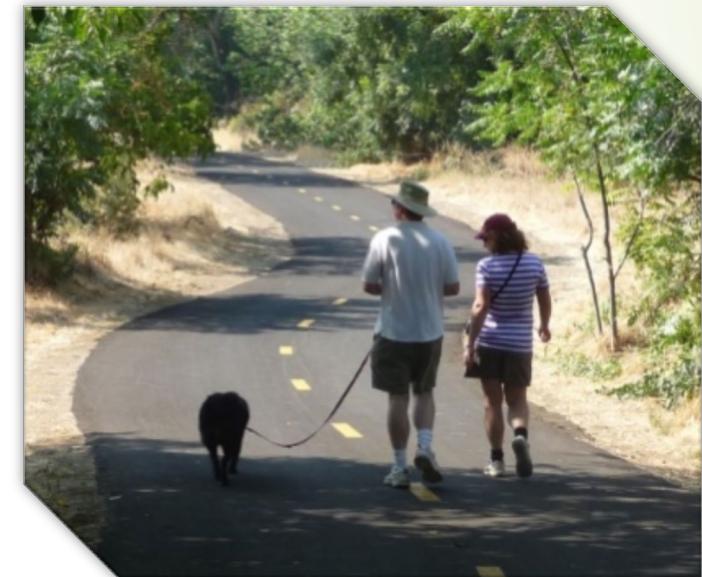
## To Be:

- ▶ A leader among park and recreation professionals.
- ▶ Proactive in anticipating public park and recreation needs and how new legislation and grant programs could best meet these needs.
- ▶ Honest, knowledgeable and experienced grant administration facilitators.
- ▶ Sensitive to local concerns while mindful of prevailing laws, rules and regulations.
- ▶ Perceptive to opportunities for partnerships, growth and renewal where few existed before.
- ▶ Committed to providing quality customer service in every interaction and transaction.
- ▶ Responsive to the needs of applicants, grantees, nonprofit organizations, local governments, legislative members, and department employees.



# Guide Overview

- ▶ Grant Process
- ▶ Special Requirements
- ▶ Grant Payments
- ▶ Contract
- ▶ Accounting and Audits



# Grant Process Overview

1. Applicants receive award letter.
2. Applicant attends mandatory grant administration workshop.
3. Applicant fulfills any unmet application requirements:
  - Appraisal documents for acquisitions
  - Recorded CEQA documents
4. OGALS sends a contract to the applicant.
  - The GRANTEE returns the contract, signed by the AUTHORIZED REPRESENTATIVE, to OGALS.
  - OGALS returns a copy of the fully executed contract to the GRANTEE.
5. GRANTEE requests reimbursement payments for eligible costs. When the project is complete, the GRANTEE sends PROJECT COMPLETION PACKET(s).
  - OGALS reviews completion documents and conducts a final site inspection prior to processing the final payment request.
6. In preparation for an audit, the GRANTEE must retain all PROJECT records for five years following issuance of the final GRANT payment.



# Acquisition Project Rules



- ▶ Purchase price cannot exceed the appraised value.
- ▶ Acquisition costs outside actual cost of property must be less than 25% of the PROJECT costs.
- ▶ A deed restriction must be recorded on the property.
- ▶ GRANTEE must provide Title Insurance.



# Acquisition Project Documentation

- ▶ An appraisal for all parcels conducted within the last twelve months.
- ▶ A letter from an independent appraiser stating the appraisal was reviewed and was completed using acceptable methods.
- ▶ For easement acquisitions, also provide a copy of the proposed easement guaranteeing the authority to use the property as described in the application.
- ▶ For relocation costs, also provide a letter signed by the AUTHORIZED REPRESENTATIVE, listing the relocation costs for each displaced tenant, certifying that the relocation amount does not exceed the maximum allowed.



# Acquisition Costs

## Eligible Acquisition Costs

- ▶ IN-HOUSE EMPLOYEE SERVICES
- ▶ GRANT/PROJECT administration and accounting
- ▶ Public meetings/focus groups/design workshop
- ▶ Appraisals, escrow fees, surveying, other costs associated with acquisition
- ▶ Cost of land

## Ineligible Acquisition Costs

- ▶ Costs to fulfill any mitigation requirements imposed by law
- ▶ Acquisitions where purchase price is greater than appraised value
- ▶ Costs for land acquired through eminent domain or condemnation
- ▶ Costs incurred outside the GRANT performance period



# Development Project Rules

- ▶ Contracted work must comply with the provisions of §1771.5 of the State Labor Code, prevailing wage law.
- ▶ GRANTEE must have adequate liability insurance, performance bond, or other security necessary to protect the State and GRANTEE'S interest against poor workmanship, fraud, or other potential loss associated with the completion of the PROJECT.
- ▶ PRE-CONSTRUCTION COSTS may not exceed 25% of the PROJECT amount.
- ▶ PROJECTS must be accessible, including an accessible path of travel to the PROJECT.



# Eligible Development Costs

## Pre-Construction – up to 25% of GRANT amount

- ▶ Public meetings, focus groups, design workshops
- ▶ Plans, specifications, construction documents, and cost estimates
- ▶ Permits
- ▶ Financing
- ▶ CEQA
- ▶ Bid preparation and packages
- ▶ IN-HOUSE EMPLOYEE SERVICES prior to groundbreaking
- ▶ GRANT/PROJECT administration and accounting prior to groundbreaking

## Construction

- ▶ Necessary labor and construction activities to complete the PROJECT
- ▶ Construction equipment
- ▶ Bond sign and other signage
- ▶ Premiums on hazard and liability insurance
- ▶ Purchase and installation of equipment
- ▶ Construction management
- ▶ Financing
- ▶ IN-HOUSE EMPLOYEE SERVICES after groundbreaking
- ▶ GRANT/PROJECT administration and accounting after groundbreaking



# Ineligible Development Costs

- ▶ PRE-CONSTRUCTION COSTS that exceed 25% of the grant
- ▶ Development to fulfill any mitigation requirements imposed by law
- ▶ All non-capital costs
- ▶ Construction or improvements to facilities that are not primarily designated for recreational purposes, such as park district offices
- ▶ Construction outside the boundaries of the park
- ▶ Furniture or equipment not site specific and not necessary for the core function of a new facility (non-capital outlay)
- ▶ Costs incurred before or after the GRANT PERFORMANCE PERIOD
- ▶ Indirect costs
- ▶ Food and beverages
- ▶ Out-of-state travel
- ▶ Fundraising and grant writing
- ▶ Repairs – activities performed to a section of a structure that are intended to allow the continued use.
- ▶ Maintenance – activities intended to be performed on a regular basis to maintain the expected useful life of a structure.



# Distinguishing capital outlay (eligible) from repair and maintenance (not eligible):

► **Capital outlay** – building something new, or for existing structures, activities intended to boost the condition beyond its original or current state.

## Examples:

**Roof** – replacing broken shingles is maintenance; fixing a hole is repair; replacing the roof is capital outlay.

**Playground** – adding additional fall material is maintenance; fixing the chains on a swing set is repair; replacing the play structures is capital outlay.

**Windows** – repairing the glazing is maintenance; replacing broken panes is repair; replacing the windows is capital outlay.

► **Repairs** – activities performed to a section of a structure that are intended to allow the continued use.



► **Maintenance** – activities intended to be performed on a regular basis to maintain the expected useful life of a structure.

# Accounting Rules for In-House Employee Services

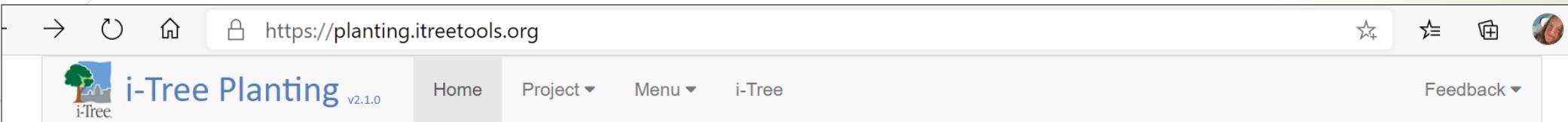


- ▶ Maintain time and attendance records as charges are incurred, identify the employee through a name or other tracking system, and that employee's **actual hours worked** on the PROJECT.
- ▶ Time estimates, including percentages, for work performed are not acceptable.
- ▶ **Time sheets that do not identify the specific employee's hours worked on the PROJECT are not acceptable.**
- ▶ Costs of the salaries and wages must be calculated according to the GRANTEE'S wage and salary scales, and may include benefit costs such as vacation, health insurance, pension contributions and workers' compensation.
- ▶ Overtime costs may be allowed under the GRANTEE'S established policy, provided that the regular work time was devoted to the same PROJECT.
- ▶ May not include overhead or cost allocation. These are the costs generally associated with supporting an employee, such as rent, personnel support, IT, utilities, etc.
- ▶ If planning to claim IN-HOUSE EMPLOYEE SERVICES costs, provide a sample timesheet for OGALS review to confirm these accounting practices are being followed.



# Greenhouse Gas Emissions Reduction and Carbon Sequestration

If your PROJECT involves tree planting, submit the i-Tree report with the PROJECT COMPLETION PACKET.



→ ⏪ ⌂ https://planting.itreetools.org

i-Tree Planting v2.1.0 Home Project ▾ Menu ▾ i-Tree Feedback ▾

## Welcome to the i-Tree Planting Calculator! v2.1.0

The i-Tree Planting Calculator is designed to help you estimate the long-term environmental benefits from a tree planting project. The focus is on greenhouse gases, but many co-benefits are included.

This is a newly updated version of i-Tree Planting. Please clear your web browser's cache for this site before using.

Users enter the following information:

- Tree species
- Size of trees at planting
- Information on the distance and direction to the nearest building (optional)
- Information about the tree's growing conditions
- Estimated mortality (optional)
- The number of trees with each configuration
- Project lifetime (number of years)
- Specific greenhouse gas values (optional)

The following information is calculated (in units and associated dollar values) for the project life time:

- Greenhouse Gas (GHG) sequestered and avoided (owing to reductions in energy use)
- Energy conserved
- Air pollutants captured and avoided
- Stormwater filtered
- Tree total biomass



 Get Started

Use of this tool indicates acceptance of the [EULA](#).



# Status Reports

OGALS will send a Status Report every six months.

Payment requests will not be processed if Status Reports are overdue.



## Sample Status Report – Due xx/xx/20xx (30 days from mail date)

Grantee:

Project Number:

Project Name:

Project Scope:

Project Phase:  Pre-Construction/Pre-Acquisition  Acquisition and/or Construction

When will you submit your next payment request?

For how much?

Estimated date of project completion:

Potential obstacles affecting completion:

Is the project: On Time? yes/no Within Budget? yes/no Within Scope? yes/no If no, explain:

Describe grant-funded work completed since last status report submitted on (DATE):

Are CCC or certified local corps working on this project? Yes/No

Provide photos showing work completed since (DATE)

Describe grant-funded work expected to be completed by (MailDate + 6 mos)

If there have been any changes to the proposed funding for this project, attach a revised Funding Sources Form.

Provide information on payments to be submitted over the next three years:

Between 7/1/20 and 6/30/21	Between 7/1/21 and 12/31/21	Between 1/1/22 and 6/30/22	Between 7/1/22 and 12/30/22	Between 1/1/23 and 6/30/23	Between 7/1/23 and 12/30/23	After 1/1/24
\$	\$	\$	\$	\$	\$	\$

The purpose of this data is to help the State estimate borrowing needs; you will not be held to these estimates.

I represent and warrant that I have full authority to execute this Grant Progress Status Report on behalf of the Grantee. I declare under penalty of perjury, under the laws of the State of California, that this status report, and any accompanying documents, for the above-mentioned Grant is true and correct to the best of my knowledge.

AUTHORIZED REPRESENTATIVE Signature

Date

Print Name and Title

(\*Certification to above information requires a signature by a person authorized in the resolution)

# Prop 68 Sign Requirement

- ▶ Must be displayed during construction, at the final inspection, and for at least 4 years after completion.
- ▶ Must contain this language:

GAVIN NEWSOM, GOVERNOR  
Wade Crowfoot, Secretary for Natural Resources  
Armando Quintero, Director, California Department of Parks and Recreation

Use current names. May include names (and/or logos) of other partners, organizations, individuals and elected representatives.
- ▶ Must include logo
- ▶ Logo must be at least 24" tall
- ▶ Materials shall be durable and resistant to the elements and graffiti.
- ▶ If the sign is out of place or affected by local sign ordinances, OGALS may approve an alternative.
- ▶ Submit the proposed number, locations, size, and language of signs for preliminary review.
- ▶ Download logo at:  
<https://resources.ca.gov/grants/logo-art/>



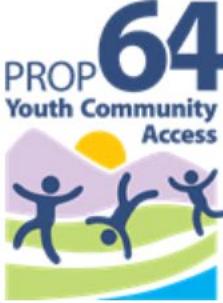


Grant Resources x +

Not secure | <https://resources.ca.gov/grants/logo-art/>

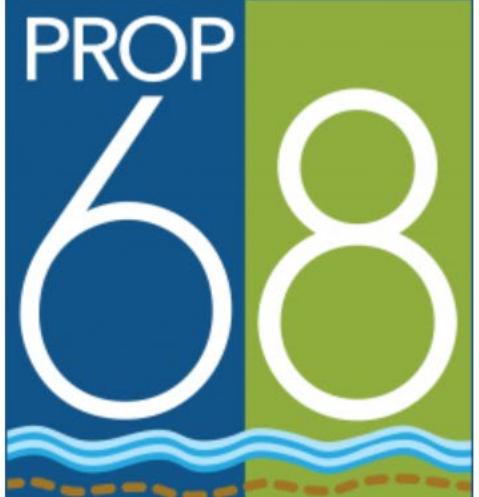
## LOGO ARTWORK x

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- [Proposition 64 \[PDF\]](#)
- [Proposition 64 \[PNG\]](#)
- [Proposition 64 \[TIF\]](#)
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- [Proposition 68 \[JPG\]](#)
- [Proposition 68 \[PDF\]](#)
- [Proposition 68 \[PNG\]](#)

# Deed Restriction

- ▶ Safeguards the property for purposes consistent with the GRANT for the CONTRACT PERFORMANCE PERIOD.
- ▶ If the GRANTEE owns the PROJECT land, a Deed Restriction must be recorded on the title to the property before OGALS will approve any grant payments.
- ▶ If the GRANTEE is acquiring land, a deed restriction is required before the PROJECT is complete.
- ▶ A Deed Restriction is not required if the GRANTEE does not own the PROJECT land.
- ▶ OGALS will email the Deed Restriction for the GRANTEE to complete.
- ▶ OGALS recommends submitting these documents to the OGALS PROJECT OFFICER for review prior to notarizing.



# Non-Profit requirements

## ► Three-Bid Process

- Must go through public bidding process for services greater than \$5,000 and construction work greater than \$25,000
- Provide each bidder the same written invitation for bid
- Solicit bids by contacting at least three potential contractors
- Board of Directors evaluates, selects, and awards a contract
- Waiver of bid process may be requested in limited situations

## ► Fidelity Bond

- No payments will be approved without current fidelity bond policy
- Premium cost is an eligible cost
- DPR must be named as third-party loss payee
- Coverage must be equal to or greater than the grant amount
- Fidelity Bond insurance must be kept current for at least six months after date of final grant payment





## Statewide Park Program Workshop

# 5-minute break

5

4

3

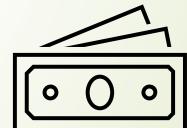
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# Grant Payments

- ▶ May be requested after a PROJECT is approved and the contract is encumbered
- ▶ Processed through the State Controller's Office and mailed six to eight weeks from the approval date
- ▶ Limited to 25% of the GRANT amount prior to groundbreaking, unless for acquisition costs
- ▶ 20% of the GRANT amount is retained for the final reimbursement
- ▶ A deed restriction is required prior to processing any payments
- ▶ **Group costs together to avoid frequent payment requests**
- ▶ Complete CEQA needed before requesting any construction reimbursement
- ▶ Provide a sample timesheet when requesting reimbursement for in-house employee services
- ▶ Provide bid summary documents for costs on contracts requiring a bid process
- ▶ Provide construction progress photos, with a photo of the construction sign on the PROJECT site, with construction payment requests.



## Payment may be withheld if there are outstanding issues:

- ▶ breach of any other contract with OGALS
- ▶ an unresolved audit exception
- ▶ an outstanding conversion
- ▶ park sites closed or inadequately maintained
- ▶ overdue Project Status Reports
- ▶ other unmet grant requirements



## Payment Request Form

- All payment request types (reimbursement, final, ADVANCE) require this form.
- Payment requests may be submitted by e-mail to the PROJECT OFFICER.
- Round all amounts to the nearest whole dollar.
- A Grant Expenditure Form is required with all reimbursement and final payment requests.



### Payment Request Form

State of California - Natural Resources Agency  
DEPARTMENT OF PARKS AND RECREATION

#### PAYMENT REQUEST State Grant Programs

*See Instructions on Page 2.*

1. PROJECT NUMBER	2. CONTRACT NUMBER	
3. APPLICANT		
4. PROJECT NAME		
5. TYPE OF PAYMENT	<input type="checkbox"/> Advance <input type="checkbox"/> Reimbursement <input type="checkbox"/> Final	
<b>6. PAYMENT INFORMATION</b> <i>(Round all figures to the nearest dollar)</i>		
a. Grant Project Amount	\$ _____	
b. Funds Received To Date	\$ _____	
c. Available (a. minus b.)	\$ _____	
d. Amount Of This Request	\$ _____	
e. Remaining Funds After This Payment (c. minus d.)	\$ _____	
<b>7. SEND WARRANT TO:</b>		
AGENCY NAME		
STREET ADDRESS		
CITY/STATE/ZIP CODE		
<b>8. CERTIFICATION AND SIGNATURE OF PERSON AUTHORIZED IN RESOLUTION</b>		
<i>I represent and warrant that I have full authority to execute this payment request on behalf of the Grantee. I declare under penalty of perjury, under the laws of the State of California, that this report, and any accompanying documents, for the above-mentioned Grant is true and correct to the best of my knowledge.</i>		
SIGNATURE OF PERSON AUTHORIZED IN RESOLUTION ►	TITLE	DATE
<b>FOR CALIFORNIA DEPARTMENT OF PARKS AND RECREATION USE ONLY</b>		
PAYMENT APPROVAL SIGNATURE ►	DATE	

DPR 212 (Rev. 3/2015)(Excel 3/3/2015)(Page 1 of 2)

## Grant Expenditure Form

- All payment requests require a summary of costs incurred.
- An electronic version of the grant expenditure form is available on OGALS website.
- GRANTEES may use their own spreadsheet if it contains the required information.
- Keep copies of invoices or warrants with the PROJECT records, don't forward to OGALS unless requested.



### Grant Expenditure Form

All payment requests require a summary of costs incurred. An electronic version of the [grant expenditure form](#) is available at [www.parks.ca.gov/grants](http://www.parks.ca.gov/grants). GRANTEES may use their own spreadsheet if it contains the required information shown below. Keep copies of invoices or warrants with the PROJECT records, available to OGALS on request. Only provide the following information to OGALS:

#### PROJECT Number:

Warrant/ Check #(1)	Date(2)	Recipient(3)	Purpose(4)	Pre-Construction Amount(5)	Construction Amount(6)

PRE-CONSTRUCTION Subtotal (5)	\$
Construction Subtotal (6)	\$
Grand Total (5) + (6)	\$

#### List only ELIGIBLE COSTS charged to the GRANT.

**Column (1)** Electronic payment numbers/electronic funds transfer numbers in the "Warrant/Check Number" column are acceptable. Include an "EP" next to the electronic payment numbers/electronic funds transfer numbers.

If IN-HOUSE EMPLOYEE SERVICES or GRANTEE's own equipment was used, a work order or other tracking number can be used instead of a check/warrant number.

**Column (2)** Date payment was made to recipient. If IN-HOUSE EMPLOYEE SERVICES were used, provide the date range with a summary of actual hours worked, and a sample timesheet.

**Column (3)** Name of Contractor, IN-HOUSE EMPLOYEE SERVICES, or other entity providing services and/or materials.

**Column (4)** SCOPE item related to the expenditure and a brief description, such as "playground design," "community center permits," "walkway materials," "sports field construction."

**Column (5)** PRE-CONSTRUCTION costs eligible for up to 25% of the GRANT.

**Column (6)** DEVELOPMENT costs eligible for up to 100% of GRANT.

# Project Completion

- Submit PROJECT COMPLETION PACKETS by March 31<sup>st</sup> of the project performance period end year
- OGALS encourages digital submission of documents, as .pdf files.
- The final payment will be processed after PROJECT COMPLETION and the following occurs:
  - Approval of the PROJECT COMPLETION PACKET
  - Site inspection by the PROJECT OFFICER



# Project Completion Packet



- ▶ Payment Request Form
- ▶ Grant Expenditure Form
- ▶ Final Funding Sources Form
- ▶ GHG Emissions Reduction Worksheet
- ▶ Project Completion Certification Form
- ▶ Photo of the bond act sign and location
- ▶ Recorded Deed Restriction, if not already provided
- ▶ Completed CEQA, if not already provided
- ▶ Notice of Completion (optional)
- ▶ Audit checklist with items checked

Acquisition PROJECTS also require:

- ▶ Copy of the recorded deed to the property
- ▶ Map sufficient to verify the description of the property including parcel numbers and acreage
- ▶ Copy of title insurance policy
- ▶ Copy of title report



# Project Certification Form

Notice of Completion  
not required; OGALS  
just needs to know if  
one was filed.

Do not sign until the  
project is complete  
and final payment has  
been made for all work  
done.



State of California – The Natural Resources Agency  
DEPARTMENT OF PARKS AND RECREATION

**Project Completion Certification Form**

Grantee:

Project Number:

**Grantee contact for audit purposes**

Name:

Address:

Phone: ( )

Email:

**Project completion – list the grant scope items:**

**Provide revised Funding Sources Form**

Interest earned on advanced funds: \$

Interest spent on eligible costs: \$

Was a Notice of Completion filed with the County Recorder or other appropriate entity?

Yes / No

**Certification:**

I hereby certify that all Grant funds were expended on the above-named Project and that the Project is complete and we have made final payment for all work done.

I have read California Penal Code §118 and understand that every person who testifies, declares, deposes, or certifies under penalty of perjury and willfully states as true any material matter which he or she knows to be false, is guilty of perjury, which is a felony punishable by imprisonment in state prison for two, three, or four years.

Furthermore, I have read California Penal Code §72 and understand that every person who, with the intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, city, or District board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is guilty of a felony-misdemeanor punishable either by imprisonment in county jail for a period of not more than one year, by a fine not exceeding one thousand dollars, or both, or by imprisonment in state prison, by a fine not exceeding ten thousand dollars, or both.

I represent and warrant that I have full authority to execute this Project Completion Certification on behalf of the Grantee. I declare under penalty of perjury that the foregoing certification of Project Completion for the above-mentioned Grant is true and correct.

AUTHORIZED REPRESENTATIVE Signature

Date

Print Name and Title

# Advance Payments

- ▶ OGALS reserves the right to disapprove ADVANCE payment requests.
- ▶ Past performance, GRANTEE capacity, and the GRANTEE'S financial resources will all be considered.
- ▶ ADVANCE payments may be requested for costs the GRANTEE will incur within the next six months.
- ▶ ADVANCE funds must be placed in an interest-bearing account. Any interest earned on those funds must be spent within six months.
- ▶ The sum of DEVELOPMENT ADVANCES cannot exceed 80% of the PROJECT amount.
- ▶ ADVANCES must be cleared within six months. They should be cleared as costs are incurred.



# Advance Justification

- ▶ Explain why an ADVANCE is needed instead of a reimbursement. Describe any hardships your agency will experience if a reimbursement were issued instead of an ADVANCE.
- ▶ A payment schedule, with a month-by-month estimate, for up to six months, showing the anticipated amount needed, and to whom the funds will be paid.
- ▶ The six-month schedule should begin six to eight weeks after ADVANCE request is submitted.
- ▶ A funding plan, indicating how your agency intends to cash flow the costs exceeding the 80% ADVANCE limit.
- ▶ A statement that your agency will put the advanced funds into a separate, interest-bearing account, and spend any interest earned on the PROJECT.
- ▶ An acknowledgement that all invoices and contracts pursuant to which payments are made shall be made available to OGALS on demand.



# Acquisition advance into escrow

- ▶ Up to 100% of the acquisition amount
- ▶ After grant contract is encumbered and escrow is open
- ▶ Submit to OGALS:
  - ▶ Escrow Letter
  - ▶ Preliminary Title report cover page
  - ▶ Payment Request form





# Grant Contract Face Sheet

Contract will be sent to grantee after completion of grant workshop.

**Grant Performance Period:** Period in which the PROJECT must be constructed.

**Contract Performance Period:** Period in which the PROJECT must be maintained and open to the public.

## Competitive Grant Program Contract



State of California — The Natural Resources Agency  
DEPARTMENT OF PARKS AND RECREATION

Sample Grant Contract  
Competitive Grant Program

GRANTEE: Grantee Name

GRANT PERFORMANCE PERIOD is from July 1, 2019 through June 30, 2024

CONTRACT PERFORMANCE PERIOD is from July 1, 2019 through June 30, 2049

The GRANTEE agrees to the terms and conditions of this contract (CONTRACT), and the State of California, acting through its Director of the Department of Parks and Recreation, pursuant to the State of California, agrees to fund the total State grant amount indicated below.

The GRANTEE agrees to complete the PROJECT SCOPE(s) as defined in the Development PROJECT SCOPE/Cost Estimate Form or acquisition documentation for the application(s) filed with the State of California.

The General and Special Provisions attached are made a part of and incorporated into the Contract.

Total State grant amount not to exceed \$ [GRANT amount]

GRANTEE

AUTHORIZED REPRESENTATIVE Signature

Date

Print Name and Title

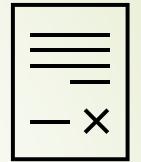
STATE OF CALIFORNIA  
DEPARTMENT OF PARKS AND RECREATION

AUTHORIZED REPRESENTATIVE Signature

Date

Print Name and Title

CERTIFICATION OF FUNDING (FOR STATE USE ONLY)				
AMOUNT OF ESTIMATE \$	CONTRACT NUMBER	FUND		
ADJ. INCREASING ENCUMBRANCE \$	APPROPRIATION			
ADJ. DECREASING ENCUMBRANCE \$	ITEM VENDOR NUMBER			
UNENCUMBERED BALANCE \$	LINE ITEM ALLOTMENT	CHAPTER	STATUTE	FISCAL YEAR
T.B.A. NO.	B.R. NO.	INDEX	Funding Source	
I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance.				
SIGNATURE OF ACCOUNTING OFFICER			DATE	



# Contract Provisions Highlights

- ▶ **B.1.** Submit a written request if you need to make a change to the grant scope. OGALS must provide written approval of any changes.
- ▶ **C.2.** OGALS may make reasonable changes to the Procedural Guide and will notify your agency within a reasonable time.
- ▶ **D.2.** Return project status reports promptly. And, submit your completion packet within 60 days of project completion or the end of the grant performance period, whichever is earlier.
- ▶ **F.** If funding for any fiscal year is reduced or deleted by the budget act for purposes of this program, OGALS has the option to cancel or reduce the amount of the contract.
- ▶ **G.** The state will not be liable for any injuries or lawsuits related to the project.
- ▶ **H.1.** Maintain all records for the project and have them available to audit at reasonable times. Retain all documents for five years after project completion.
- ▶ **I.1.** Your agency will operate and maintain the property acquired or developed for the duration of the Contract Performance Period.
- ▶ **J.2.** Your agency shall not discriminate on the basis of residence, except reasonable differences in admission or other fees may be maintained on the basis of residence and pursuant to law.
- ▶ **N.** Grant funds cannot be used for the purpose of making any leverage loan, pledge, promissory note or similar financial device or transaction, without: 1) the prior written approval of the STATE; and 2) a recorded subordination agreement provided and approved by OGALS.



# Accounting and Audits



All PROJECT records must be retained for five years after final payment is issued.

- ▶ Provide an employee having knowledge of the PROJECT and its records to assist the DPR auditor.
- ▶ Provide accounting data that clearly records costs incurred and accurately reflects fiscal transactions, with the necessary controls and safeguards.
- ▶ Provide good audit trails, with the source documents (purchase orders, receipts, progress payments, invoices, timecards, cancelled warrants, warrant numbers, etc.)
- ▶ Keep records of all eligible costs, including those not submitted to OGALS for payment. This provides a potential source of additional eligible costs, should any submitted expenses be deemed ineligible.



# Audit Checklist

Keep a copy  
handy with  
your project  
records.



## Audit Checklist

An audit of the PROJECT may be performed before or following PROJECT completion. The GRANTEE must retain and make available all PROJECT related records for five years following PROJECT termination or final payment of GRANT funds. Listed below are some of the items the auditor will examine during the review of your records as applicable. It is the responsibility of the GRANTEE to have these records available in a central location ready for review once an audit date and time has been confirmed. If you have any questions regarding these documents, contact the State Department of Parks and Recreation Audits Office at (916) 657-0370.

### CONTRACTS

- Summary list of bidders (including individual bid packages)
- Recommendation by reviewer of bids
- Award by governing body (minutes of the meeting/resolution)
- Construction contract agreement
- Contract bonds (bid, performance, payment)
- Contract change orders
- Contractor's progress billings
- Payments to contractor (cancelled checks/ warrants, bank statements, EFT receipts\*\*)
- Stop Notices (filed by sub-contractors and release if applicable)
- Liquidated damages (claimed against the contractor)
- Notice of completion (recorded)

### IN-HOUSE EMPLOYEE SERVICES\*

- Authorization/work order identifying project
- Daily time sheets signed by employee and supervisor
- Hourly rate (salary schedules/payroll register)
- Fringe benefits (provide breakdown)

### IN-HOUSE EQUIPMENT\*

- Authorization/work order
- Daily time records identifying the project site
- Hourly rate related backup documents

### MINOR CONTRACTS/ MATERIALS/ SERVICES/EQUIPMENT RENTALS

- Purchase orders/Contracts/Service Agreements
- Invoices
- Payments (cancelled checks/ warrants, bank statements and EFT receipts \*\*)

### ACQUISITION

- Appraisal Report
  - Did the owner accompany the appraiser?
  - 10 year history
- Statement of just compensation (signed by seller)
- Statement of difference (if purchased above appraisal)
- Waiver of just compensation (if purchased below appraisal: signed by seller)
- Final Escrow Closing Statement
- Cancelled checks/warrants, bank statements and EFT receipts, [payment(s) to seller(s)]
- GRANT deed (vested to the participant) or final order of condemnation
- Title insurance policy (issued to participant)
- Relocation documents
- Income (rental, grazing, sale of improvements, etc.)

### INTEREST

- Schedule of interest earned on State funds advanced (Interest on grant advances is accountable, even if commingled in a pooled fund account and/or interest was never allocated back to the grant fund.)

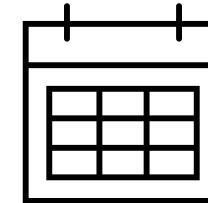
### AGREEMENT/CONTRACTS

- Leases, agreements, etc., pertaining to developed/acquired property
- Proof of insurance pertaining to developed/acquired property

\* Estimated time expended on the projects is not acceptable. Actual time records and all supporting documentation must be maintained as charges are incurred and made available for verification at the time of audit.

\*\* Front and back if copied.

# What's Next?



- ▶ Submit any pending application items
- ▶ Submit appraisals if project includes acquisition
- ▶ Project Officer will forward contract to you for signature
- ▶ Project completion by December prior to end of project performance period
- ▶ Submit completion package at least 12 weeks prior to end of project performance period.



“...to address California’s diverse recreational, cultural and historical resource needs by developing grant programs, administering funds, offering technical assistance, building partnerships and providing leadership through quality customer service.”

-- The mission of the Office of Grants and Local Services

